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Los Angeles City Council, **Journal/Council Proceeding**

Tuesday, October 31, 2017

JOHN FERRARO COUNCIL CHAMBER ROOM 340, CITY HALL 200 NORTH SPRING STREET, LOS ANGELES, CA 90012 - 10:00 AM

(For further details see Official Council Files)

(For communications referred by the President see Referral Memorandum)

ROLL CALL

Members Present: Bonin, Buscaino, Englander, Harris-Dawson, Huizar, Koretz, Martinez, O'Farrell, Price, Rodriguez, Ryu and President Wesson (12); **Absent:** Blumenfield, Cedillo, Krekorian (3)

Approval of the Minutes

Commendatory Resolutions, Introductions and Presentations

Public Testimony of Non-agenda Items Within Jurisdiction of Council

Items for which Public Hearings Have Been Held

ITEM NO. (1)

[13-1694-S4](#)

ECONOMIC DEVELOPMENT and BUDGET AND FINANCE COMMITTEES' REPORT and ORDINANCE FIRST CONSIDERATION relative to dissolving Community Taxing District (CTD) No. 2 in connection with the Grand Avenue Project.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

PRESENT and ADOPT the accompanying ORDINANCE dated May 16, 2017 dissolving City of Los Angeles CTD No. 2 and repealing any special taxes authorized by the creation of CTD No. 2 for the development of a hotel and parking structure within the Grand Avenue Project.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (2)

[12-1696](#)

CD 1,4,10

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the reconfirmation and assessment increase for the Wilshire Center Merchant-Based Business Improvement District (BID) for 2018.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. FIND that:

- a. The assessments imposed by the Wilshire Center BID for 2018 provide services that directly benefit each of the businesses which pay the assessments.
- b. The services funded by the assessments are provided only to each of the assessed businesses within the boundaries of the BID.
- c. The assessment imposed does not exceed the reasonable cost of conferring the benefits.
- d. The proposed improvements and activities are completely separate from the day to day operations of the City of Los Angeles.
- e. The assessments for the proposed merchant-based BID are not taxes and that the BID qualifies for exemption from Proposition 26 under exemption 1 of Article XIII C Section 1(e)(1).
- f. The services to be provided by the owners' association, Wilshire Center Business Improvement Corporation, are in the nature of professional, expert, technical or other special services, that the services are of a temporary and occasional character, and that the use of competitive bidding would be impractical, not advantageous, undesirable or where the common law otherwise excuses compliance with competitive bidding requirements.

2. PRESENT and ADOPT the accompanying ORDINANCE OF INTENTION dated October 2, 2017 confirming the Wilshire Center BID's Annual Report and levying an annual assessment for the Wilshire Center BID's 23rd operating year, January 1, 2018 to December 31, 2018.
3. DIRECT the City Clerk to schedule, prepare, publish, and mail the joint notice of public meeting and public hearing, as required by the provisions of Section 36500 et seq. of the California Streets and Highways Code.
4. INSTRUCT the City Clerk, subject to the approval of the City Attorney as to form and legality, to prepare and present an enabling Ordinance levying the special assessment for the Wilshire Center BID's 23rd operating period beginning January 1, 2018 to December 31, 2018.
5. APPROVE the Wilshire Center Business Improvement Corporation, a California non-profit mutual benefit corporation, to administer the proposed services of the Wilshire Center BID pursuant to Section 36500 et seq. of the California Streets and Highways Code and City regulations.
6. AUTHORIZE the City Clerk, subject to City Attorney approval, to prepare, execute, and administer a contract between the City of Los Angeles and the Wilshire Center BID Corporation to administer the Wilshire Center BID, if the Ordinance reconfirming the BID is adopted.
7. APPOINT the Advisory Board Members as listed in the Wilshire Center BID 2018 Annual Report, attached to the October 11, 2017 City Clerk report and the Council File.

Fiscal Impact Statement: The City Clerk reports that this is a merchant-based BID and there are no assessments for City-owned properties within the BID, therefore there is no impact on the General Fund.

Community Impact Statement: None submitted.

Adopted - TO THE MAYOR FORTHWITH, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (3)

[17-1127](#)

PUBLIC SAFETY COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to regulating the possession of items at various public assemblies.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

PRESENT and ADOPT the accompanying ORDINANCE dated October 20, 2017, amending Section 55.07 of the Los Angeles Municipal Code to regulate the possession of certain items at public protests, demonstrations, rallies, picket lines and public assemblies.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

(URGENCY CLAUSE - 12 VOTES REQUIRED ON SECOND READING)

Adopted, (13); Nays: Bonin (1); Absent: Cedillo (1)

ORDINANCE OVER TO NOVEMBER 7, 2017

ITEM NO. (4)

[17-0628-S1](#)

PUBLIC WORKS AND GANG REDUCTION COMMITTEE REPORT relative to the Innovation and Performance Commission's (IPC) Innovation Fund (IF) funding for the Personnel Department - Improving Public Safety Hiring with a Virtual Mentor Project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ESTABLISH and APPROPRIATE a new appropriation account within the IF Fund No. 105/10 in the amount of \$250,000 from the available cash balance of the IF entitled:

Personnel Department - Virtual Mentor

2. TRANSFER \$250,000 from the IF Fund No. 105/10, Account to be Established, Personnel Department- Virtual Mentor to Fund No. 100/66 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
003040	Contractual Services	\$250,000

3. INSTRUCT the Personnel Department to:
 - a. Separately track all encumbrances and expenditures of IF monies so that unspent funds can be returned to the IF at the end of the fiscal year.
 - b. Report to the IPC with an accounting of the funds, the lessons learned, and any obstacles faced.
 - c. Report to the IPC if, after the receipt of funds, the scope of the funded item differs from the scope approved for funding by the Mayor and the Council.
4. AUTHORIZE the City Administrative Officer (CAO) to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CAO reports that approval of these recommendations will

allocate \$250,000 of the remaining \$795,434 IF 2017-18 available balance. The \$250,000 will be transferred to the Personnel Department to begin implementation of the pilot project that has been approved by the IPC. In some cases, departments will incur ongoing costs.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (5)

[17-0002-S106](#), [17-0002-S107](#)

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT and RESOLUTIONS relative to establishing the City's position regarding legislation to amend the California Health and Safety Code relative to punishment for the possession of marijuana or concentrated cannabis.

Recommendations for Council action, pursuant to Resolutions (Harris-Dawson - Bonin), SUBJECT TO THE CONCURRENCE OF THE MAYOR:

1. ADOPT the accompanying RESOLUTION to include in the City's 2017-18 State Legislative Program, SUPPORT for and/or SPONSORSHIP of legislation that would amend California Health and Safety Code Section 11357(b)(2) to change the punishment for the possession of more than 28.5 grams of marijuana or 4 grams of concentrated cannabis for personal use to an infraction punishable by community service or a fine of not more than \$100.
2. ADOPT the accompanying RESOLUTION to include in the City's 2017-18 State Legislative Program, SUPPORT for and/or SPONSORSHIP of legislation that would amend California Health and Safety Code Section 11357(a)(2) to change the punishment for the possession of less than 28.5 grams of marijuana or less than 4 grams of concentrated cannabis by a person over 18 years of age, but not yet 21 years of age, from a maximum \$100 fine to a requirement to perform not more than 10 hours of community service and a requirement that the person cited for possession participate in a youth and safety program.

Fiscal Impact Statement: None submitted by the Chief Legislative Analyst. The City Administrative Officer has not completed a financial analysis of this report.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (6)

[16-0600-S170](#), [17-0600-S31](#), [17-0768](#)

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS and BUDGET AND FINANCE COMMITTEES' REPORTS relative to Office of Finance (Finance) secure cash acceptance operations.

A. RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE Finance to disencumber up to \$835,997 from Fiscal Year (FY) 2016-17 encumbered balance within Finance Fund No. 100/39, Account No. 004040, Bank Services Fees; and, AUTHORIZE the Controller to revert the disencumbered amount to the Reserve Fund.
2. REAPPROPRIATE \$835,997 from the Reserve Fund to the Unappropriated Balance Fund No. 100/58 and appropriate therefrom to Finance Fund No. 100/39 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
001010	Salaries - General	\$564,000
003040	Contractual Services	171,000
006010	Office and Administration	<u>100,997</u>

3. AUTHORIZE the following 10 resolution authority positions in FY 2017-18 for Finance, subject to position allocation by the Personnel Department and pay grade determination by the City Administrative Officer (CAO):

<u>No.</u>	<u>Class Code</u>	<u>Title</u>
1	1179-3	Tax Compliance Officer III
1	1201	Principal Clerk
4	1229	Customer Service Specialist
4	1514-2	Tax Auditor II

4. INSTRUCT Finance, with the assistance of the Department of General Services, CAO, City Attorney, and Los Angeles Police Department, to report by December 2017 with options to address space issues, cash acceptance facility requirements, and security needs related to both auditing and cash acceptance from the cannabis industry for both the short and long term.
5. INSTRUCT Finance to report by January 2018 with FY 2018-19 budgetary requirements for accepting cannabis industry business tax payments on a quarterly basis.
6. AUTHORIZE Finance to make technical corrections as necessary to implement Mayor and Council intentions.

B. BUDGET AND FINANCE COMMITTEE REPORT

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. CONCUR with the recommendations of the Rules, Elections, and Intergovernmental Relations Committee.
2. INSTRUCT Finance to report in 30 days, in collaboration with the City Attorney.
3. INSTRUCT Finance in its report to broaden the cost benefit analysis to not just include processing costs, but other related costs of having cash in the system.

Fiscal Impact Statement: None submitted by the Finance nor the City Attorney. Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of these reports.

Community Impact Statement: None submitted.

(The City Council may recess to Closed Session, pursuant to Government Code Section 54957(a), to confer with its legal counsel relative to matters regarding a security threat to public buildings, facilities, and the public's right to access the buildings and public services.)

ADOPTED

AMENDING MOTION (BLUMENFIELD - HARRIS-DAWSON)

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

AMEND Recommendation no. 2 of and add Recommendation no. 4 below to the Budget and Finance Committee Report to state:

2. INSTRUCT the Office of Finance (Finance), in collaboration with the City Attorney, to report within 30 days on the viability, benefits, and possible detriments of authorizing, prioritizing or requiring licensed commercial cannabis businesses to conduct only non-cash transactions for the sale of recreational or medical cannabis and payment of taxes and fees, including not only costs and benefits of avoiding cash tax payments, but also impacts on such items as ensuring that taxes are paid, ease of auditing cannabis businesses, reducing crime at cannabis businesses and City facilities, and ability to enforce cannabis regulations and/or close unlicensed businesses.

4. REQUEST the City Attorney, with the assistance of the Department of Finance and the Department of Cannabis Regulation, to prepare and present a draft ordinance within 30 days requiring cannabis businesses to conduct only non-cash

transactions for the sale of recreation or commercial medical [Motion (Blumenfield - Wesson)] cannabis and payment of taxes and fees, including administrative, civil and/or criminal penalties for failure to comply with such requirements.

Adopted as Amended, (14); Absent: Cedillo (1)

ITEM NO. (7)

[16-0888](#)

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT relative to regulating marijuana advertising.

Recommendations for Council action:

1. INSTRUCT the City Administrative Officer (CAO), with the assistance of the Chief Legislative Analyst (CLA), the Department of Cannabis Regulation, and the City Attorney, to report in 60 days to the Rules, Elections, and Intergovernmental Relations Committee with an analysis, including the relevant and necessary findings, to allow the City of Los Angeles to adopt an ordinance regulating advertising for cannabis, cannabis-related products, and cannabis-related businesses similar to current Los Angeles Municipal Code provisions regulating tobacco, e-cigarette, and alcohol advertising. This analysis should include at minimum off-site and on-site advertising, internet or web-based advertising, periodical advertising, advertising to minors, and if possible, television advertising.
2. REQUEST the City Attorney, with the assistance of the Department of Cannabis Regulation, to prepare and present a draft ordinance regulating advertising for cannabis, cannabis-related products, and cannabis-related businesses based on the analysis and findings prepared by the CAO. The City Attorney should consider both civil and criminal penalties for violations of the proposed ordinance, including enhanced penalties for the advertising of cannabis-related businesses located within the City of Los Angeles who do not have a license from the Department of Cannabis Regulation by April 1, 2018.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: Yes.

For: Glassell Park Neighborhood Council

ADOPTED

SUBSTITUTE MOTION (WESSON - ENGLANDER - BUSCAINO - MARTINEZ)

Recommendation for Council action:

1. **INSTRUCT the Planning Department, with the assistance of the City Attorney and the Department of Cannabis Regulation, to initiate an ordinance for consideration by the Citywide Planning Commission that will regulate advertising for cannabis, cannabis-related products, and cannabis-related businesses based on the analysis and findings prepared by the City Administrative Officer (CAO). The Planning Department should consider both civil and criminal penalties for violations of the proposed ordinance, including penalties for the advertising of cannabis-related businesses located within the City of Los Angeles who do not have a license from the Department of Cannabis Regulation.**
2. **INSTRUCT the CAO with the assistance of the Chief Legislative Analyst (CLA), the Department of Cannabis Regulation, and the City Attorney, to report in 60 days with an analysis, including the relevant and necessary findings, to allow the City of Los Angeles to adopt an ordinance regulating advertising for cannabis, cannabis-related products, and cannabis-related businesses similar to current Municipal Code provisions regulating tobacco, e-cigarette, and alcohol advertising. This analysis should include at minimum restrictions on off-site and on-site signage, which are designed in particular to protect minors from harms arising from cannabis and cannabis products.**

Adopted, (15)

ITEM NO. (8)

[14-0366-S14](#)

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS and BUDGET AND FINANCE COMMITTEES' REPORTS relative to establishing cannabis business fees and interim position authority to implement cannabis regulations within the City.

A. RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to transfer appropriations totaling \$250,000 within the Department of Cannabis Regulation (DCR) Fund No. 100/13, from Account No. 001010, Salaries General, to Fund No. 100/13, Account No. 003040, Contractual Services, for the provision of professional services related to the implementation of the Accela Civic Platform.
2. AUTHORIZE by resolution the following four positions within the Office of Finance (Finance) for a term of October 1, 2017 to June 30, 2018 to support the coordination of tax audits and other functions related to regulating cannabis businesses within the City of Los Angeles, subject to position allocation by the Board of Civil Service Commissioners (CSC) and pay grade determination by the City Administrative Officer (CAO), Employee Relations Division (ERD):

<u>No.</u>	<u>Class Code</u>	<u>Title</u>
4	1514-2	Tax Auditor II

3. AUTHORIZE by resolution the following position within the DCR for a term of October 1, 2017 to June 30, 2018 to support the administration and implementation of technology solutions related to the application, licensing, renewal, revocation processes for cannabis businesses and other functions related to regulating cannabis businesses within the City, subject to position allocation by the CSC and pay grade determination by the CAO, ERD:

<u>No.</u>	<u>Class Code</u>	<u>Title</u>
1	1431-3	Programmer Analyst III

4. AUTHORIZE by resolution the following four positions within the City Attorney for a term of October 1, 2017 to June 30, 2018 to support: a) the DCR; b) the establishment of rules and regulations to implement local and State law pertaining to cannabis use within the City; c) the environmental review of cannabis business license applications; and, d) other functions related to regulating licensed cannabis businesses within the City, subject to position allocation by the CSC and pay grade determination by the CAO, ERD:

<u>No.</u>	<u>Class Code</u>	<u>Title</u>
1	0598	Assistant City Attorney
1	0596	Deputy City Attorney III
1	0595	Deputy City Attorney II
1	0580	Legal Secretary

5. REQUEST the City Attorney, with the assistance of the CAO, to prepare and present the necessary ordinances to effectuate the following fees:

- a. Cannabis Business Tax Audit Fee: \$3,502
- b. Cannabis Business Application Fee: \$8,748
- c. Cannabis Business Plan Review Fee: \$7,532

6. REQUEST the City Attorney, with the assistance of the CAO, to prepare and present an ordinance establishing a seven percent Cannabis Systems Development Fee that shall be applied to all Cannabis Business fees to defray the systems development and technology costs associated with purchasing,

implementing, and maintaining systems that support the regulation of cannabis businesses within the City.

7. REQUEST the City Attorney, with the assistance of the CAO, to prepare and present an ordinance establishing the Cannabis Regulation Special Revenue Fund for the receipt, retention, and disbursement of fees relating to the regulation of cannabis businesses within the City.
8. INSTRUCT the Information Technology Agency, with the assistance of the DCR and the CAO, to create a DCR website and update existing City websites to: a) make cannabis business applications available to the public in one easy to find location; b) provide information and links to direct applicants to the Accela Civic Platform; c) provide a place to post Public Hearing dates for specific applications; d) provide up-to-date information to the public; e) make all cannabis-related business in the City transparent; and f) direct cannabis-related inquiries to the new DCR's website.
9. AUTHORIZE the Executive Director, DCR, or designee, to prepare Controller instructions and/or make any technical adjustments consistent with Council and Mayor action on this report, subject to approval of the CAO; and, AUTHORIZE the Controller to implement those instructions.
10. INSTRUCT the CAO, with the assistance of the DCR, to report on establishing fees for:
 - a. Change of Ownership Application
 - b. Premises Modification Application
 - c. Renewal Application
 - d. Any other fees associated with the regulation of cannabis businesses not already identified.
11. INSTRUCT the CAO, with the assistance of the DCR, to report back on a staffing plan and identified funding in the next Financial Status Report (FSR) for DCR to conduct pre-inspections of applicants and compliance investigations and inspections for licensed businesses.
12. REQUEST the City Attorney, with the assistance of the Los Angeles Department of Building and Safety, Los Angeles Police Department (LAPD), Los Angeles Fire Department, Finance, and the DCR, to report on establishing an interdepartmental Memorandum of Understanding to conduct pre-inspections of applicants for licensure and compliance investigations and inspections for licensed businesses.
13. INSTRUCT the CAO, with the assistance of the City Attorney, to report back in the next FSR with identified funding for the DCR, Finance, and City Attorney positions identified in the report.
14. INSTRUCT the CAO, with the assistance of the City Attorney and LAPD, to report by December 1, 2017 with a staffing plan and identified funding for a surge of enforcement against unlicensed commercial cannabis activity to begin on April 1, 2018.

B. BUDGET AND FINANCE COMMITTEE REPORT

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. CONCUR with the recommendations of the Rules, Elections, and Intergovernmental Relations Committee.
2. STRIKE the resolution authority request for four Tax Auditor II positions in Finance.

Fiscal Impact Statement: The CAO reports that there is no anticipated General Fund impact. Adoption of the fees included in this report will support the recommended positions and the DCR on an on-going basis. The CAO anticipates that the timing of fee collection will coincide with resource deployment. If necessary, gap funding will be addressed in the Mid-Year FSR. The recommendations included in this report are consistent with the City's Financial Policies as on-going expenditures will be fully supported by on-going revenues.

ADOPTED

MOTION (KREKORIAN - WESSON)

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

ADOPT the Budget and Finance Committee report relative to establishing cannabis business fees and interim position authority to implement cannabis regulations with the City.

Adopted, (14); Absent: Blumenfield (1)

ITEM NO. (9)

[14-0366-S5](#), [14-0366-S4](#), [14-0366-S6](#), [14-0366-S7](#), [17-0710](#), [14-0366-S15](#), [14-0366-S16](#), [14-0366-S17](#)

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis-related issues, in the City of Los Angeles.

Recommendations for Council action:

1. REQUEST the City Attorney, with the assistance of the Cannabis Department, the City Administrative Officer (CAO), and the Chair of the Rules, Elections, and Intergovernmental Relations Committee, to prepare and present a draft ordinance addressing the procedural components of procuring licenses and rules and regulations for commercial cannabis activity based on the Council's latest proposed draft regulations on commercial cannabis activity entitled *Revised Draft for Commercial Cannabis Activity in the City of Los Angeles*, dated September 22, 2017. This draft ordinance should also include changing the name of the Cannabis Department to the Department of Cannabis Regulation (DCR), and changing the name of the Cannabis Commission to the Cannabis Regulatory Commission (CRC).
2. REQUEST the City Attorney, with the assistance of the Bureau of Contract Administration (BCA), to prepare and present a draft ordinance which provides for worker retention at legally licensed cannabis businesses in order to ensure that standards related to security, social equity, and other training standards already in place are maintained when commercial cannabis businesses change ownership. In doing so, the City Attorney should look to existing worker retention ordinances in the Los Angeles Municipal Code, such as the Grocery Workers Retention Ordinance.
3. REQUEST the City Attorney, with the assistance of the Los Angeles World Airports, to prepare and present a draft ordinance imposing requirements for auto rental agencies, particularly at airports, to advise visitors to the City about prohibitions against driving while under the influence of cannabis and other limitations.
4. REQUEST the City Attorney to prepare and present an ordinance that includes anti-retaliation provisions and protections for employees of commercial cannabis businesses who raise concerns with the employer or the City regarding compliance with the City of Los Angeles rules, regulations, and ordinances concerning commercial cannabis activity.
5. INSTRUCT the Chief Legislative Analyst (CLA), with the assistance of the CAO and the DCR, to report back on the issue of social consumption, providing an analysis of what the State of California allows, the ongoing processes of the States of Colorado, Nevada, Washington, and Alaska, as well as the cities of Denver, Seattle, Washington D.C., and San Francisco. This report should also include an analysis of how other jurisdictions are addressing the issue of impaired driving or driving under the influence of cannabis and cannabis-related products.
6. INSTRUCT the DCR to include Business Improvement Districts in the group for the DCR's Early Notification System.
7. INSTRUCT the BCA to report in 30 days on the additional resources it will need in order to support the DCR in enforcing labor standards in this new industry; and, INSTRUCT the CAO to include in that report how the resources will be funded.
8. REQUEST the City Attorney to include language that enables the DCR and CRC to

add more stringent restrictions for public safety reasons (relative to adding site-specific conditions for compliance when approving permits).

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: Yes.

P.I.C.O. Neighborhood Council
Historic Highland Park Neighborhood Council
Greater Toluca Lake Neighborhood Council
Downtown Los Angeles Neighborhood Council
Studio City Neighborhood Council
Westside Neighborhood Council
South Robertson Neighborhood Council
West Hills Neighborhood Council
Woodland Hills Warner-Center Neighborhood Council
South Robertson Neighborhood Council
Sherman Oaks Neighborhood Council

ADOPTED

MOTION 9A (WESSON - MARTINEZ - KORETZ - HARRIS-DAWSON - HUIZAR - PRICE)

Recommendations for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to adopt the following additional recommendations:

1. **REQUEST the City Attorney, with the assistance of the Department of Cannabis Regulation, Department of City Planning, and the City Clerk to add language with in the draft ordinances and resolutions for a Public Convenience or Necessity (PCN) procedure to address areas of potential undue concentration of Commercial Cannabis Activity, similar to the current PCN procedure for alcohol establishments. This applies to any applicant within a particular license category in which their premises location is within a higher cannabis license/population ratio within the community plan based on the 2016 American Community Survey, updated by each decennial census, that the following: ratio of 1 license per 10,000 residents for Retailer (Type 10); ratio of 1 license per 7,500 residents for Microbusiness (Type 12); ratio of 1 square feet of canopy per resident for Cultivation (Types 1A, 1B, 2A, 2B, 3A, 3B, 4 and 5A); and ratio of 1 license per 7,500 residents for Manufacture (Type 7). Proposition D compliant dispensaries that are deemed eligible for Proposition M Priority processing are exempt from the PCN process.**
2. **ADD language to the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles that states: All applicants that were conducting non-retail Businesses in the City of Los Angeles prior to January 1, 2016 will be provided limited immunity to operate while their application is pending a final decision if: 1) a complete application is submitted to the Department within 15 business days from the start of applications being made available for this program; 2) the continuing operations of the applicant are the same activities in which the applicant is seeking a License for cultivation, manufacture, distributor, or testing laboratory; 3) the applicant attests to, and provides proof of, being a supplier of a Proposition D compliant dispensary prior to January 1, 2017; 4) the applicant attests to, and provides proof of, being in operation prior to January 1, 2016; 5) the premises meets all of the land use and sensitive use requirements of the City of Los Angeles; 6) the applicant submits to a pre-inspection and passes the pre-inspection. Any fire, life, safety violations must be corrected prior to continuing operations; 7) the applicant submits to a financial audit by the Office of Finance and pays all prior year tax obligations up to 5 years; 8) the applicant provides and signs an approved indemnification agreement protecting the City from any possible liability stemming from operations; 9) the applicant attests to, and provides evidence of, an agreement with a testing laboratory for product testing; 10) the applicant attests that only non-retail operations will continue under the limited immunity provision; 11) the applicant attests that all cannabis-related products will undergo testing in accordance with state standards; 12) the applicant signs an affidavit stating that the applicant will cease operations if denied a State or City license; 13) the applicant signs an affidavit stating that the applicant will comply with all operating criteria set forth by the City of Los Angeles,**

including an understanding that any proven infraction against the operational requirements will result in the immediate revocation of a Temporary Local Authorization and operations must be suspended; and 14) the applicant qualifies under the Social Equity Program. After 5 p.m. Pacific Time on the 15th day business day, the Department will close the limited immunity processing window permanently.

The Department will determine eligibility for limited immunity processing and its determination may be appealed to the Commission. Operations prior to the application period will be granted limited immunity from City of Los Angeles enforcement if eligibility is approved. If the application is determined to be eligible for limited immunity processing, the Department shall issue a Temporary Local Authorization for ninety days(which may be extended for an additional ninety days) and will be valid during that period until such time as the application is approved or denied by the Commission, Department, or the City Council. If the application is denied eligibility for limited immunity processing, the applicant shall cease all Commercial Cannabis Activity at the location or premises identified until a Provisional License is approved. The applicant and property owner will be subject to enforcement by the Police Department and City Attorney for continuing operations after an application for limited immunity eligibility has been denied.

3. **REPLACE** similar language on Pages 7 and 8 (Items ii and iii) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to who may appeal to be consistent with who may appeal a Conditional Use Permit in the City of Los Angeles.
4. **ADD** language on Pages 9 and 10 (Item 3) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to Prop M Priority processing to allow Prop M Priority applicants to appeal eligibility to the Commission.
5. **ADD** language on Page 42 (Item 1) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the cancellation process to allow for an exception due to remodeling or reconstruction.
6. **ADD** language to Page 4 (Item 4) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to application processing to require batching of applications by applicant.
7. **ADD** language to Page 3 (Item 10) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the definition of Proper Notice to include any organization or individual that requests to be put on the City's interested party notification list.
8. **ADD** language to Page 14 (Item 10) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to financial information submitted by the applicant that would implement procedures to afford protection for applicants with respect to confidential financial information.
9. **CLARIFY** language on Page 17 (Item 3) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to labor and wage laws to clarify that this applies only to local and state labor and wage laws.
10. **CLARIFY** language on Page 38 (Item 3a) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to enforcement and labor and wage laws to clarify that this applies only to local and state labor and wage laws.
11. **REPLACE** language on Page 9 (Item 1) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the ceasing of non-conforming Commercial Cannabis Activity in a commercial zone for Prop M Priority applicants from December 31, 2020 to December 31, 2022.
12. **AMEND** language on Page 9 (Item 2) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to Prop M Priority eligibility to read AN EMMD that received a BTRC after 2014,

received a BTRC or tax exemption certificate issued by the City prior to November 13, 2007, and registered with the City Clerk in accordance with the requirements under Interim Control Ordinance 179027, that is operating in compliance with the limited immunity and tax provisions of Proposition D.

13. **REPLACE** language on Page 15 (Item 19) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the insurance requirements to read: Attest to providing proof of a bond and/or insurance, including product liability insurance, as required by the State of California and the Department, within 15 business days of licensure.
14. **REPLACE** language on Page 15 (Item 17) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to a labor peace agreement to read: For an applicant whose staffing plan or organizational chart shows 10 or more employees, applicants shall provide an attestation from a person authorized to contract on behalf of a bona-fide labor organization, which indicates that a labor peace agreement has been executed. Such agreement shall ensure full access for labor representatives to the premises during regular business hours as allowed by the State of California.
15. **ADD** language to Page 22 (Item 12) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to signage requirements to prohibit the use of inflatable signs and sign spinners.
16. **ADD** language to Page 9 (Item 2) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to Prop M priority processing that states businesses otherwise operating under LAMC Section 45.19.6.3 should be allowed an opportunity to cure non-substantive administrative violations in C through F, and M.
17. **REPLACE** language to Page 9 (Item 2) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to Prop M priority applicants licensure to state: Applicants shall apply for: a maximum of one Microbusiness License (Type 12) and one Delivery for Retailer License (Type 10); or a maximum combination of one Retailer License (Type 10), one Delivery for Retailer License (Type 10), one Distributor License (Type 11), one Manufacturer License (Type 6 only) and one Cultivation: Indoor (Type 2A or 3A) License for the one location identified in its original or amended BTRC and as demonstrated in previous cannabis-related business activities prior to the adoption of Proposition M.
18. **ADD** language to Page 4 of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles to state: Applications that are in conflict with each other due to sensitive use requirements will be processed in the order received. The date and time stamp of receipt as indicated will be the determining factor for conflicting applications, unless otherwise indicated in the Social Equity Program. Evidence that the applicant has the legal right to occupy and use the proposed location that complies with the requirements of the Department and the State of California, unless otherwise indicated in the Social Equity Program, must be submitted and verified prior to the conflict cause being effective.
19. **AMEND** language to Page 31 (Item 13) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to deliveries to delete the last sentence.
20. **ADD** language to Page 3 (Item 12) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the definition of Transitional Worker to include over the age of 65 and financially compromised as one of the barriers to employment.
21. **DELETE** language to Page 4 (Item 1) of the Revised Draft Requirements for Commercial Cannabis Activity in the City of Los Angeles relative to the submission of applications that provides for a printed application to be submitted. All applications must be completed online.
22. **INSTRUCT** the CAO, with the assistance of the Department of Cannabis Regulation, to report back with an analysis on the cost to start a business that will conduct Commercial Cannabis Activity for all categories of licensure.
23. **REQUEST** the Department of Water and Power (DWP), LAPD, and the

Department of Cannabis Regulation, with the assistance of the City Attorney, to submit a report, including procedures and any necessary ordinance changes to implement Los Angeles Municipal Code Section 45.19.7.3 (E) relative to the DWP being authorized to disconnect utilities for unlicensed businesses and property owners conducting Commercial Cannabis Activity as adopted in Proposition M.

24. **REQUEST** the City Attorney's Office, with the assistance of the Department of Cannabis Regulation, Los Angeles Fire Department, Los Angeles Police Department, and Department of City Planning, to initiate an ordinance that will provide rules and regulations for social consumption of cannabis based on the CLA analysis in the REIR Committee recommendations.
25. **AUTHORIZE** the City Attorney, with the assistance of the Department of Cannabis Regulation and the Chair of Rules, Elections, and Intergovernmental Relations Committee, to make any technical modifications and/or legal corrections to the draft ordinances, draft resolutions, draft ordinance requests, and any other related actions listed above in order to further the objectives as described in these recommendations.

ADOPTED

AMENDING MOTION (ENGLANDER - WESSON - HARRIS-DAWSON)

AMEND Recommendation No. 1 of Motion 9A (Wesson - Martinez - Koretz - Harris-Dawson - Huizar - Price) to add the following:

INSTRUCT the Department of City Planning to prepare data maps by Council District that illustrate license capacity in accordance with the outlined license/population ratios, by license category.

ADOPTED

MOTION 9B (BUSCAINO - MARTINEZ)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to:

INSTRUCT the Chief Legislative Analyst, with the assistance of the City Attorney and the Cannabis Department, to report with recommended minimum requirements for the Community Benefits Agreements (No. 26, page 16 in the Revised Draft for Commercial Cannabis Activity in the City of Los Angeles, dated September 22, 2017), that ensure the neighborhoods that are most impacted by commercial cannabis activity receive the greatest investment of resources. Potential community benefits that should be studied include:

- financial contributions to City-controlled special funds
- financial contributions to non-profit organizations
- graffiti removal
- landscaping
- litter pickup
- pressure washing
- tree planting
- tree trimming
- public infrastructure improvements (street, sidewalk, curb, gutter, median and alley repair; and improvements to local parks, libraries and community centers)

ADOPTED

MOTION 9C (KREKORIAN - O'FARRELL)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendations to mirror the State of Colorado provisions regarding the production of Cannabis edibles:

1. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should prohibit the production and sale of marijuana products that are in the

distinct shape of a human, animal, or fruit, or a shape that bears the likeness or contains the characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.

2. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should require Edible Infused Products to be marked, stamped, or otherwise imprinted with the Universal Symbol - a diamond enclosing the notations ! THC or !THC M directly on the Infused Product - in a manner to cause the Universal Symbol to be distinguishable and easily recognizable on at least one side of the product; be centered either horizontally or vertically on the Product; the height and width of the Universal Symbol shall be of a size that is at least 25 percent of the product, but not less than 1/4 inch by 1/4 inch (art included on Motion attached to Council file).
3. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should limit edibles to 100-milligram capacity on THC per package in infused products, separated into 10-milligram servings.
4. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should include a prohibition or regulation of additives to any retail marijuana product, including but not limited to those that are toxic, designed to make the product addictive, designed to make the product more appealing to children, or misleading to consumers.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9D (KREKORIAN - KORETZ)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendations:

1. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should amend Commercial Cannabis Activity Application Requirements, General number 15 to include the provision that 30 percent of the workforce of all regular contractors hired shall be residents of the City of Los Angeles.
2. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should amend Commercial Cannabis Activity Application Requirements, General number 16 such that the staffing plan and organization chart shall include all regular contractors.
3. **REQUEST** that the City Attorney's draft ordinance pursuant to this item should amend Commercial Cannabis Activity Application Requirements, General number 17 to include regular contractors in the calculation of 10 or more full-time equivalent employees.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9E (KREKORIAN - HUIZAR)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendation:

REQUEST that the City Attorney's draft ordinance pursuant to this item should expand the definition of Alcoholism or Drug Abuse Recovery or Treatment Facility to include Permanent Supportive Housing Developments where services are provided on site.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9F (KREKORIAN - ENGLANDER)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendations:

- 1. REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include: Any owner, business entity, or individual convicted or cited for violating any law involving distribution or sales of tobacco or alcohol to minors will be banned from Commercial Cannabis Activity within the City of Los Angeles for a period of 5 years from the date of conviction.**
- 2. REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include: Any owner, business entity, or individual convicted for violating any law involving the importation, exportation, manufacture, distribution or sales of illegal drugs, other than cannabis, will be banned from Commercial Cannabis Activity within the City of Los Angeles for a period of 5 years from the date of conviction.**
- 3. REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed provisions related to Automatic Rejection of Application to include: Any owner, business entity, or individual with a felony convicted for violent crimes, sex trafficking, rape, crimes against children, gang crimes, gun crimes, hate crimes and crimes involving criminal organizations will be banned from Commercial Cannabis Activity within the City of Los Angeles for a period of 10 years from the date of conviction.**

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9G (KREKORIAN - RYU)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendation:

REQUEST that the City Attorney's draft ordinance pursuant to this item should authorize the Department of Cannabis Regulation to begin issuing Type 8 Testing Licenses during the time that they are issuing the Proposition M Priority licenses.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9H (KREKORIAN - MARTINEZ)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendation:

REQUEST that the City Attorney's draft ordinance pursuant to this item should amend the proposed Delivery for Retailer Commercial Cannabis Activity Requirements to remove Contractors and vendors are allowed to apply for Delivery for Retailer Commercial Cannabis Activity as third-party delivery services if allowed by the State of California and replace it with the requirements that all deliveries shall be done by employees of licensed Commercial Cannabis cultivator, retailer, microbusiness, or manufactory with a physical address in the City of Los Angeles.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

MOTION 9I (KREKORIAN - BLUMENFIELD)

Recommendation for Council action:

AMEND the Rules, Elections, and Intergovernmental Relations Committee Report to include the following recommendation:

REQUEST that the City Attorney's draft ordinance pursuant to this item should exclude A1 Agricultural Zones and A2 Agricultural Zones from the properties that

are eligible for Cannabis Cultivation and Nursery activities.

REFERRED TO RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

Adopted as Amended, (14); Nays: Krekorian (1)

**RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS (REIR) COMMITTEE REPORT
ADOPTED AS AMENDED BY AMENDED MOTION 9A AND MOTION 9B; MOTIONS 9C THRU 9I
REFERRED TO REIR COMMITTEE**

ITEM NO. (10)
[17-1152](#)

PUBLIC WORKS AND GANG REDUCTION COMMITTEE REPORT relative to the Innovation and Performance Commission's (IPC) Innovation Fund (IF) funding for the Personnel Department - Virtual Reality Officer Experience.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ESTABLISH and APPROPRIATE a new appropriation account within the IF Fund No. 105/10 in the amount of \$50,000 from the available cash balance of the IF entitled: Personnel Department - Virtual Reality Officer Experience.
2. TRANSFER \$50,000 from the IF Fund No. 105/10, Account to be Established, Personnel Department- Virtual Reality Officer Experience to Fund No. 100/66 as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
003040	Contractual Services	\$50,000

3. INSTRUCT the Personnel Department to:
 - a. Separately track all encumbrances and expenditures of IF monies so that unspent funds can be returned to the IF at the end of the fiscal year.
 - b. Report to the IPC with an accounting of the funds, the lessons learned, and any obstacles faced.
 - c. Report to the IPC if, after the receipt of funds, the scope of the funded item differs from the scope approved for funding by the Mayor and the Council.
4. AUTHORIZE the City Administrative Officer (CAO) to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

Fiscal Impact Statement: The CAO reports that approval of these recommendations will allocate \$50,000 of the remaining \$795,434 IF 2017-18 available balance. The \$50,000 will be transferred to the Personnel Department to begin implementation of the pilot project that has been approved by the IPC. In some cases, departments will incur ongoing costs.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (11)
[13-1526](#)

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to Proposition O Clean Water General Obligation Bond budget adjustments and funding recommendations.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the Westwood Neighborhood Greenway Project (Westwood Project); and, TRANSFER funds up to \$5,460,000 within available Prop O funds to a new account entitled Westwood Neighborhood Greenway Project.

2. APPROVE the Vermont Avenue Stormwater Capture and Green Street Project (Vermont Project); and, TRANSFER funds up to \$3,700,000 within available Prop O funds to a new account entitled Vermont Avenue Stormwater Capture and Green Street Project.
3. AUTHORIZE an increase in the Albion Riverside Park Project by \$2,700,000, from \$15,655,000 to \$18,355,000; and TRANSFER funds up to \$2,700,000 within Prop O accounts to Fund No.16T/50, Account No. 50KXAD, entitled Albion Riverside Park Improvements.
4. TRANSFER \$2,003,127 in savings from the following five Prop O projects to the Program Budget Contingency:

<u>Project</u>	<u>Budget Savings</u>
Inner Cabrillo Beach Bacterial Water Quality Improvement	\$1,078,994
Santa Monica Bay Low Flow Diversions Upgrades, Package 3, Phase 2	654,063
Avalon Green Alley South	108,418
Peck Park Canyon Enhancement	85,412
Elmer Avenue Phase II: Elmer Paseo	<u>76,240</u>
Total:	\$2,003,127

5. TRANSFER expenditures of \$218,795 from Prop O bond proceeds to the Stormwater Pollution Abatement Fund (SPA Fund) for staffing charges in a prior fiscal year.
6. AUTHORIZE the City Administrative Officer (CAO), in coordination with the Bureau of Engineering and the Bureau of Sanitation, to make technical corrections as needed to the above recommendations.

Fiscal Impact Statement: The CAO reports that there is no impact to the General Fund. Two new projects will be funded by Prop O bond proceeds. The cost of the budget increase for the Albion Riverside Park project in the amount of \$2.7 million will be funded from the existing Prop O Program Contingency. Approval of this recommendation will reduce the Prop O Program Contingency from \$13,629,015 to \$10,929,015. Approval of the recommendation to transfer \$2,003,127 in project savings will subsequently increase program contingency from \$10,929,015 to \$12,932,142. The recommendations in this report are in compliance with the City's Financial Policies as funding for the proposed projects is provided primarily from bond proceeds which are supported by voter-approved property tax revenue.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (12)

[17-1117](#)

CD 8 ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and RESOLUTION relative to a request for authority to apply and accept grant funding from the California Department of Water Resources (DWR) under the Proposition 84 Round 2 Integrated Regional Water Management (IRWM) Grant Program for the Vermont Avenue Stormwater Capture and Green Street Project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Director, Bureau of Sanitation, or designee, to apply, accept, conduct all negotiations, provide additional information, execute and submit all documents, including but not limited to applications, agreements, and amendments, subject to the approval of the City Attorney as to form, which may be necessary to receive funding, if awarded a grant, from the Proposition 84 IRWM Planning and Implementation Grant Program for the Vermont Avenue Stormwater Capture and Green Street Project.
2. ADOPT the accompanying RESOLUTION as required by the Proposition 84 IRWM Grant Program guidelines of the DWR and the procedures of the Los Angeles County Flood Control District.

Fiscal Impact Statement: The Board of Public Works reports that acceptance of the grant will have no impact on the General Fund.

Community Impact Statement: None submitted.

Adopted - TO THE MAYOR FORTHWITH, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (13)

[17-1076](#)

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE (ECCEJ) COMMITTEE REPORT relative to the progress of the stormwater program, lines of responsibility, compliance with water quality objectives, the transition to operation and maintenance, and related matters.

Recommendation for Council action, pursuant to Motion (Martinez - Price):

INSTRUCT the Bureau of Sanitation, in collaboration with the City Administrative Officer (CAO), the Bureau of Engineering, and the Department of Recreation and Parks, to report to the ECCEJ Committee on how to effectively manage green infrastructure assets, on a long-term basis, acquired and built for the purposes of stormwater/water quality improvements; the review should include methods and approaches to explicitly delineate project/site custody, permanent operation and maintenance responsibilities and related matters.

Fiscal Impact Statement: Neither the CAO nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (14)

[17-0993](#)

CD 12

CATEGORICAL EXEMPTION and PLANNING AND LAND USE MANAGEMENT COMMITTEE REPORT relative to the inclusion of the Schaefer House located at 7806 North Jason Avenue in the list of Historic-Cultural Monuments.

Recommendations for Council action:

1. FIND that this action is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Article 19, Section 15308, Class Eight, and Article 19, Section 15331, Class 31 of State CEQA Guidelines.
2. ADOPT the findings of the Cultural Heritage Commission (CHC) as the findings of the Council.
3. APPROVE the recommendation of the CHC relative to the inclusion of the Schaefer House located at 7806 North Jason Avenue in the list of Historic-Cultural Monuments.

Applicant/Owner: Mark and Emilia Neudorff, Trustees, Neudorff Family Trust

Case No. CHC-2017-2127-HCM

CEQA No. ENV-2017-2128-CE

Fiscal Impact Statement: None submitted by the CHC. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

TIME LIMIT FILE - NOVEMBER 15, 2017

(LAST DAY FOR COUNCIL ACTION - NOVEMBER 8, 2017)

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to funding options for the implementation strategy of five Enhanced Watershed Management Plans (EWMPs).

Recommendations for Council action:

1. ACKNOWLEDGE that a comprehensive funding strategy is needed to address the City's compliance cost and provide direction on which funding options the City shall pursue.
2. INSTRUCT the Bureau of Engineering (BOE), Bureau of Sanitation (BOS), City Administrative Officer (CAO), and the Los Angeles Department of Water and Power, as appropriate, to coordinate and identify specific projects that will meet permit compliance.
3. INSTRUCT the CAO to work with the Chief Legislative Analyst (CLA), BOS, and other City departments, as necessary, to develop an implementation plan that includes program oversight structure and funding strategies.
4. INSTRUCT the BOS, BOE, and the CAO to provide an updated project list, including project costs, for the next five years.
5. INSTRUCT the BOS to report with a range of cost/benefit analysis to ensure that the most cost-effective ways to achieve the policy objectives are available for Council to consider, not necessarily the maximum environmental benefits.
6. REQUEST the BOS, CLA, CAO, and the Office of the Mayor to report on how any funding strategy and implementation plan will:
 - a. Best position the City of Los Angeles for its fair share of resources.
 - b. Ensure infrastructure equity in disadvantaged communities and communities of color, and further prioritize areas that have not historically been prioritized for water quality based funding.
 - c. Support the remediation of the aquifer and improvement of the stormwater system in the San Fernando Valley.
 - d. Ensure a commitment to support and invest in multi-benefit projects.
 - e. Recognize the efforts of the business community.
 - f. Support local hiring and job training opportunities for disadvantaged residents.

Fiscal Impact Statement: The CAO reports that there will be a significant General Fund impact should the City not comply with state and regional water quality requirements as set forth in the National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit. The City's estimated total cost to implement the five EWMPs is \$7.2 billion, excluding the cost of operating and maintaining the projects. In order to avoid potential fines and penalties for non-compliance, the City must develop a funding strategy to implement the EWMPs. This funding strategy must account for both capital costs and the on-going operation and maintenance costs.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to the remediation of the San Fernando Valley groundwater aquifer.

Recommendation for Council action:

NOTE and FILE the instruction for the Bureau of Sanitation (BOS) to report on the remediation of the San Fernando Valley groundwater aquifer utilizing treatments, in as

much as the BOS reported verbally in Committee.

Fiscal Impact Statement: Not applicable.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

ITEM NO. (17)

[16-1128](#)

CD 14 ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to evaluating incentives and financial assistance for the proposed Cambria Hotel Project.

Recommendations for Council action:

1. AUTHORIZE the Mayor to execute a Memorandum of Understanding between the City of Los Angeles and 926 James M Wood Boulevard LLC (Developer) concerning terms for agreements necessary to provide a hotel incentive agreement to close the financing gap in the Cambria Hotel Project.
2. DIRECT the Chief Legislative Analyst (CLA), with assistance of the City Attorney and other City departments as necessary, to negotiate the final definitive documents necessary to provide the Developer a hotel incentive agreement to support the Cambria Hotel Project for consideration by Council.

Fiscal Impact Statement: The CLA reports that there is no fiscal impact to the General Fund associated with this action, inasmuch as City staff are being instructed to report with definitive documents necessary to provide a future revenue participation agreement for the Cambria Hotel Project.

Community Impact Statement: None submitted.

Adopted, (12); Absent: Blumenfield, Cedillo, Krekorian (3)

MOTIONS/RESOLUTIONS PRESENTED PURSUANT TO RULE NO. 16 - TO BE PLACED ON THE NEXT AVAILABLE AGENDA

17-0994-S1 MOTION (ENGLANDER - RODRIGUEZ) relative to funding for additional Police Services in Council District 12 within five miles of the Sunshine Canyon Landfill.

17-1244 MOTION (RYU - PRICE) and RESOLUTION relative to the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$16,325,000 for the purpose of financing the development of a 57-unit multifamily housing project known as RISE Apartments located at 4050 South Figueroa Street and \$8,750,000 for the purpose of financing the development of a 26-unit multifamily housing project known as McCadden Plaza Youth Housing located at 1119 North McCadden Place.

At the conclusion of this day's Council Session ADJOURNING MOTIONS WERE ADOPTED in tribute to the memory of:

17-0003-S3	Dennis Banks	Wesson - All Councilmembers
	Bud Bakeman	Koretz - All Councilmembers

ENDING ROLL CALL

Blumenfield, Bonin, Buscaino, Harris-Dawson, Huizar, Koretz, Krekorian, Martinez, O'Farrell, Price, Rodriguez, Ryu and President Wesson (13); Absent: Cedillo and Englander (2)

Whereupon the Council did adjourn.

ATTEST: Holly L. Wolcott, CITY CLERK

By

Council Clerk

PRESIDENT OF THE CITY COUNCIL



- [Attachments-161/clkcouncilactions2116895_11302017.html](#)